

GOVERNOR'S
ENERGY EFFICIENCY AND RENEWABLES
TASK FORCE

Minutes
Meeting of 2/17/04

The minutes of the January 13, 2004 meeting were approved.

Energy Efficiency Potential Study

A letter drafted by Task Force Chair to the Public Service Commissioners regarding an energy efficiency potential study was circulated and discussed. The letter was approved and will be forwarded to the Public Service Commission. Lee Cullen will advise Task Force members of the PSC's response. It is then anticipated that a meeting will take place with PSC staff and a small group from the Task Force to discuss the potential study. Task Force members should advise Lee Cullen of their interest in participating in this meeting.

Recommendations from Other Statutory and Regulatory Initiatives Workgroup
(as presented by Forrest Ceel in Brian Rude's absence)

1. A proposal to establish targets for the State of Wisconsin's use of renewable energy was discussed. A preliminary fiscal analysis was provided, together with a specific proposal to reach the renewable energy goal of 10% by 2005 and 20% by 2010. It was decided to approve the recommendation using the definition of renewable energy as defined as Wis. Stat. 196.378, except that the provision defining excludible hydro does not apply. The inclusion of a provision encouraging the state to enter into long-term contracts with utilities to purchase renewable energy was also discussed. The Task Force Chair will draft a letter to the Governor regarding the renewable energy target proposal and forward it to the Task Force for additional input or approval before submitting it to the Governor.
2. A commercial building code proposal requesting statute compliance with the 1999 ASHRAE codes was discussed. There was consensus by the Task Force to endorse SB 111 with revisions. Those revisions include eliminating the Illuminating Engineers Society (IES) code compliance included in the original bill and inserting a time deadline

GOVERNOR'S
ENERGY EFFICIENCY AND RENEWABLES
TASK FORCE

Minutes
Meeting of 2/17/04

for adoption of the other codes identified in the original bill. Sen. Cowles will request the revisions.

3. SB 112 will be addressed by the Standards-Building Codes Workgroup.
4. Regarding the proposed letter to Secretary Hassett of the Department of Natural Resources, it was unanimously approved excluding reference to past permitting delays.
5. AB 762 was discussed at length. Preliminary fiscal information was provided in two scenarios - with or without a 2 MW ceiling on the installation size of the renewable systems. The Task Force agreed to revise the bill to exempt only renewable systems under 2 MWs. The general sales and use tax exemption will be eliminated from the bill. Sen. Black proposed including a narrowly tailored provision exempting sales of solar water heating services to a third party. With these revisions, the task force reached consensus to approve the bill.

Sen. Cowles discussed SB 155 regarding the State use of hybrid vehicles. Under the current statute, the definition of alternative fuels does not include hybrid vehicles. This bill will allow the State to purchase hybrid cars for use in the state fleet. The Task Force agreed to support this bill.

Peter Bock led the discussion of LRB 4172/2. This bill provides authority for the Department of Administration to internally administer any of the grant programs, which under current law are contracted to one or more nonprofit corporations for administration. The bill includes a sunset clause of July 1, 2006. Discussion followed regarding a concern for a lack of program accountability and disruption to the current programs. Refinements to the draft legislation were discussed. Senator Cowles invited feedback from Task Force members at the Senate Energy Committee hearing on this draft legislation scheduled for February 19th.

Sen. Cowles also discussed a proposal regarding the role of local government control over the siting of solar and wind installations. The proposal was referred

GOVERNOR'S
ENERGY EFFICIENCY AND RENEWABLES
TASK FORCE

Minutes
Meeting of 2/17/04

to the Renewables Workgroup. It was suggested that there are model ordinances from other states, which the workgroup might want to consider.

Workgroup reports are as follows:

Administrative Model and Funding for Energy Efficiency

The workgroup will have its recommendations to the Task Force by July. The workgroup reserves the last 15 minutes of its meeting for public comments by participants. After the whole framework of the workgroup's proposal is complete, two or three forums for public input will be held throughout the state. The workgroup's current areas of agreement and issues to be addressed were described.

Other Statutory and Regulatory Initiatives

Workgroup's recommendations were discussed previously.

Renewables

Worked with the Statutory Workgroup regarding short-term legislative issues previously routed to that workgroup. Will work on Sen. Cowles' suggestion regarding local governmental control over renewable energy generation siting. Next meeting scheduled for February 23rd.

Standards – Building Codes

DOC's Division of Safety and Buildings attended this workgroup's meeting in February to discuss the process for code review and adoption. Randy Schneider advised as to the impact of SB 112 on plan approval; the Dept. of Commerce had previously dropped examination of plans due to lack of personnel. If passed, there is a concern that it will result in a delay in commercial plan approvals. The workgroup is soliciting input from stakeholder groups regarding ASHRAE standards and requesting their participation in workgroup meetings. It is anticipated the workgroup will have recommendations to the Task Force by July.

There was discussion regarding communication between workgroups. The Administrative Model Workgroup forwards a copy of its meeting minutes and

GOVERNOR'S
ENERGY EFFICIENCY AND RENEWABLES
TASK FORCE

Minutes
Meeting of 2/17/04

agenda to the entire Task Force to keep all members informed and to enable their participation in future meetings.

Due to Legislative Council's inability to work with the Task Force without legislative directive, a request was made that the legislators on the Task Force make a joint request of Legislative Council to obtain their assistance and involve them in the work of the Task Force. It was also decided that a telephone conference among Task Force staff should be scheduled to discuss bill drafting and coordinate efforts.

Discussion of thermal energy use by the state followed. Thermal energy accounts for 77% of the energy used by the state, and only 33% used is electrical energy. Of this 77%, nearly 60% comes from coal and the remaining 40% from natural gas, with a small contribution from tire and paper pellets. As the State is to be a leader in energy efficiency, a request was made of staff for a research paper regarding the state's use of thermal energy, including information on cogeneration, renewables and energy efficiency. This issue has been referred to the Other Statutory and Regulatory Initiatives Workgroup for their review.

The next Task Force meeting is scheduled for March 16, 2004 commencing at 9:30 a.m. in the Governor's Conference Room.